

Monthly Fact Sheet 30 April 2017

Launch Date	4th December 2006
Fund Size	£505.9m
Historic Yield (%)*	4.12

Share Price (as at 30.04.17)

<i>Shares</i>	<i>Income</i>	<i>Accumulation</i>
B Shares	124.08p	223.14p



Fund Managers



David Horner

Joined 3i Corporate Finance Limited in 1986 where he was a manager giving corporate finance advice. In May 1993 he joined Strand Partners Limited, and was appointed a director in January 1994, where he

carried out a range of corporate finance assignments identifying, structuring and managing investments in quoted and unquoted companies. In October 1997 he left to set up Chelverton Asset Management Limited and was responsible for setting up, in May 1999, the Small Companies Dividend Trust, which he still manages. He has co-managed the Chelverton UK Equity Income Fund since launch.



David Taylor

began his career as an analyst in the research department at Wedd Durlacher and moved into fund management in 1987 with the Merchant Navy Officers Pension Fund. He joined Gartmore Investment Limited in 1991, during this

time, he ran a combination of institutional funds and investment trusts, namely the Clydesdale Investment Trust and London & Strathclyde Trust. In 1995, he moved to LGT to manage small cap retail funds and latterly spent nearly seven years as head of UK smaller companies at HSBC Asset Management. He joined Chelverton Asset Management in January 2006 and has co-managed the Chelverton UK Equity Income Fund since launch.

MI Chelverton UK Equity Income Fund

Investment Objective and Policy

The objective of the Fund is to provide a progressive income stream and achieve long-term capital growth by investing primarily in a portfolio of fully listed and AIM traded UK equities. The Fund will invest in UK companies which aim to provide a high initial dividend, progressive dividend payments and long term capital appreciation.

Monthly Manager Commentary

A month of strong relative performance was the result of a number of contributory factors. 'Top down' the UK general election announcement and reduced fears over the outcome of the French election served to reduce political uncertainty despite a more aggressive tone emanating from the EU with respect to Brexit talks. Whilst politicians and the media continue to be fixated with the potential problems with Brexit, the fact is that in the short term in the absence of any concrete proposals corporate UK continues to trade with little disruption. In fact manufacturing companies that export are benefiting from a weakened currency and are underpinning a series of generally robust business confidence and growth surveys. Falling equity risk premiums present an accommodating environment for UK small and mid caps who have done their bit by continuing to deliver an improving 'bottom up' earnings story. Recent share price rises will, as ever, be tested in May as there are relatively few corporate results to grab investor attention but we are reassured that our underlying income will continue to prove attractive in the current interest rate environment.

The largest contributor to performance in the month was W.S. Atkins, which received a cash offer that was recommended by the Board. Elsewhere we had twenty two stocks that delivered a double digit return over the month and these were spread across a wide range of sectors as the increase in fund valuation appeared to be widely based amongst our investee companies. Braemar and Acal bounced from oversold levels as investor sentiment improved and stocks such as N. Brown, Epwin, Hilton Foods, Hostelworld and XP Power attracted buyers after good results or trading statements. We top sliced a number of holdings that had performed well including Jupiter, Segro and Fenner and we added to IMI, SOCO and Connect amongst others. Looking forward, the main area of concern for domestic investors in the short term is the consumer as a combination of rising costs and falling real incomes have led to falling consumer confidence figures. On the positive side, however, now that we have the benefit of analysing all of the December year end results, the consensus has seen a relatively positive series of earnings upgrades for UK small and mid caps. We shall wait and see if this is sufficient to maintain investor enthusiasm but continued positive UK equity fund flows bode reasonably well.

Cumulative Performance

	1 m	3 m	YTD	1 yr	3 yrs	5 yrs	7 yrs
Fund (%)	6.82	11.10	12.81	21.31	35.25	129.03	182.17
Sector Rank	3/86	4/85	4/85	3/84	1/76	1/72	1/61
Quartile Ranking	1st	1st	1st	1st	1st	1st	1st
IA UK Equity Income (%)	1.24	5.53	5.41	15.72	22.11	69.23	88.67

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 30.04.2017

Discrete Annual Performance

	30.04.16 30.04.17	30.04.15 30.04.16	30.04.14 30.04.15	30.04.13 30.04.14	30.04.12 30.04.13
Fund (%)	21.31	4.68	6.50	28.54	31.74

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 30.04.2017

Dividend History

		Q1	Q2	Q3	Q4	Total
2014	B Income	0.70p	1.05p	1.05p	2.09p	4.89p
2015	B Income	0.72p	1.15p	1.15p	2.08p	5.10p
2016	B Income	0.75p	1.20p	1.20p	1.93p	5.08p
2017	B Income	0.78p				

History of dividends declared per share. Source: Chelverton Asset Management Limited

*The historic yield reflects distributions over the past 12 months as a percentage of the bid price of the B share class as at the date shown. It does not include any initial charge and investors may be subject to tax on their distributions.

Monthly Fact Sheet
30 April 2017

ACD
Maitland Institutional Services Limited

Investment Advisor
Chelverton Asset Management Ltd

Administrator
Maitland Institutional Services Limited

Income Paid Quarterly

XD Dates 31 March, 30 June
30 September, 31 December

Valuation 12 Noon, Daily

SEDOL Codes

	Income	Accumulation
B Shares	B1FD646	B1Y9J57

Initial Charge (%)

B Shares 5.0*

Annual Management Fee (%)

B Shares 0.75

Minimum Investment

B Shares £1,000

* or any such lower amount agreed with the ACD

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FURTHER INFORMATION

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MI Chelverton UK Equity Income Fund

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Games Workshop Group	Leisure Goods	1.96
2. Atkins (WS)	Support Services	1.87
3. Phoenix Group	Life Insurance	1.76
4. Galliford Try	Household Goods & Home Construction	1.69
5. FDM	Software & Computer Services	1.68
6. XP Power	Electronic & Electrical Equipment	1.65
7. Hostelworld Group	Travel & Leisure	1.65
8. McColl's Retail Group	Food & Drug Retailers	1.63
9. Ashmore	Financial Services	1.59
10. TT Electronics	Electronic & Electrical Equipment	1.56
11. Low and Bonar	Construction & Materials	1.56
12. Bovis Homes Group	Household Goods & Home Construction	1.56
13. Crest Nicholson	Household Goods & Home Construction	1.54
14. IMI plc	Industrial Engineering	1.54
15. Hilton Food Group	Food Producers	1.48
16. Fenner	Industrial Engineering	1.46
17. Polypipe Group	Construction & Materials	1.45
18. Watkin Jones Group	Household Goods & Home Construction	1.44
19. Jupiter Fund Management	Financial Services	1.44
20. Mortgage Advice Bureau	Financial Services	1.43

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	30.83	24
£500m - £1bn	28.06	22
£250m - £500m	21.03	20
£100m - £250m	10.90	12
Below £100m	6.33	11
Cash and Income	2.85	-
Total	100.00	89

Source: Chelverton Asset Management Limited

Disclaimer: This fund invests in smaller companies and carries a higher degree of risk than funds investing in larger companies. The shares of smaller companies may be less liquid and their performance more volatile over shorter time periods. The fund can also invest in smaller companies listed on the Alternative Investment Market (AIM) which also carry the risks described above. This document is provided for information purposes only and should not be interpreted as investment advice. If you have any doubts as to the suitability of an investment, please consult your financial adviser. The information contained in this document has been obtained from sources that Chelverton Asset Management Limited ("CAM") considers to be reliable. However, CAM cannot guarantee the accuracy or completeness of the information provided, and therefore no investment decision should be based solely on this data. Past performance is not a guide to future performance. This document is issued by CAM, Authorised and regulated by the Financial Conduct Authority. This document does not represent a recommendation by CAM to purchase shares in this Fund. We recommend private investors seek the services of a Financial Adviser. Maitland Institutional Services Limited are the Authorised Corporate Director of this fund and prospectuses for the fund are obtainable directly from them. Please email pfsenquiries@phoenixfundservices.com or call +44 (0) 1245 459 962.